Washington, D.C. - Today , Congressmen Lee Terry (R-NE) , Mike Doyle (D-PA) , Zach Wamp (R-TN) , and Albert Wynn (D-MD) introduced bipartisan legislation to promote the widespread adoption of hydrogen fuel cell technology.

This legislation would extend the current federal tax credit on fuel cell equipment through 2013 and provide a tax credit for hydrogen fuel consumed in energy conversion.

Congressmen Terry , Doyle , Wamp , and Wynn believe that enactment of these tax credits would help accelerate the commercial adoption of these technologies and the growth of the hydrogen economy - which , in turn , would help reduce air pollution , greenhouse gas emissions , and our dependence on foreign oil.

The Congressmen made the following statements:

TERRY: "Fuel cell technology has many different applications - from emergency backup generators at hospitals and police stations to a pollution-free replacement for gasoline and diesel engines in cars , buses , and trucks. Fuel cell technology promises to reduce the number of large new power plants and transmission lines we need to build by allowing the distributed generation of electricity across the country. In addition , fuel cell technology provides important emergency backup power generation capability for first responders and our military. That's why Congressman Doyle and I established the House Distributed Generation Caucus - to promote this important new technology."

DOYLE: "Hydrogen fuel cell technology holds tremendous potential for allowing Americans to be more responsible stewards of our environment. It also offers us a way to reduce our dependence on oil from violent and politically unstable parts of the world by providing a reliable , affordable alternative to the internal combustion engine - and a more efficient way of utilizing the hydrocarbons we do consume. These tax credits would develop enough private-sector demand for fuel cell technology to establish the economies of scale necessary for fuel cells to become economically viable alternatives for electricity generation and vehicle

propulsion. These incentives will get fuel cell technology over the sole remaining obstacle to its widespread adoption - the cost of expanding production and establishing a fuel cell infrastructure across the country."

WYNN: "Hydrogen and fuel cell technologies offer a long-term solution to 's addiction to foreign oil. We know the technology exists today and is being demonstrated in a variety of applications: from 1) passenger buses to 2) forklifts powered by hydrogen fuel cells to 3) auxiliary power units for trucks and RVs. In order to increase large scale commercialization of existing and future technologies , we must provide incentives and create a roadmap for the hydrogen economy. This bill creates a ground-breaking tax incentive to encourage businesses to use hydrogen for power generation. Furthermore , I intend to reintroduce a bill that will establish a Hydrogen and Fuel Cell Commission , which will identify key obstacles to progress and devise a plan for success. At a time when we should be promoting independence from oil and fast tracking alternatives , the now has a record dependence on foreign oil , which has climbed to a staggering 65 percent. This is unacceptable. Accordingly , our legislation creates a necessary incentive for the commercialization of critical hydrogen and fuel cell technologies - bringing us one step closer to the reality of an emissions-free hydrogen economy."

WAMP: "Alternative energy sources are the nexus between our environment , economy , and homeland security. This legislation exemplifies the bipartisan effort to become energy independent so that we can rely less on oil from the Middle East and while we increase domestic production of cleaner and more reliable energy sources to drive our own economy."

This legislation would extend the current federal tax credit for 30 percent of expenditures on fuel cell equipment (up to $1000 per kilowatt) through 2013. It would also provide a tax credit for 30 percent of the cost of hydrogen fuel consumed in energy conversion per year (up to $1500 per energy conversion device , whether it be a fuel cell or internal combustion engine).

Congressmen Terry , Doyle , and Wynn are on the House Energy and Commerce Committee , which has jurisdiction over federal energy and environmental policies. As Co-chair of the House Hydrogen and Fuel Cell Caucus , Congressman Wynn has been active for a number of years in developing and promoting the commercialization of energy technologies which increase the efficiency , affordability , and reliability of our domestic energy supply.

Bill Summary:

Terry-Doyle Hydrogen Fuel Cell Commercialization Act

110th Congress

Section-by-Section Summary and Analysis

First section - Establishes a 30 percent federal tax credit for hydrogen fuel in order to help with the rising cost of hydrogen fuel and encourage long-term investment in hydrogen energy-conversion devices (fuel cells). The tax credit would go to the business or individual who is purchasing the hydrogen for use in the power generation unit. This change is needed because a tax credit for hydrogen fuel use does not currently exist. This tax incentive will help keep hydrogen competitive as a fuel.

Second section - Extends the current 30 percent tax credit for fuel cells (which is scheduled to expire on December 31 , 2008) until December 31 , 2013. Extending the credit is essential for encouraging purchases of this technology in the coming years.

Third section - Requires fuel cell-powered backup electricity for all new government buildings. This backup fuel cell power generator would also supply power to the building during peak demand hours. The bill also requires the General Services Administration , the federal agency responsible for building most federal buildings and facilities , to consider using fuel cell-powered electricity to meet the base power needs of all new government buildings. The federal government is the nation's largest landlord. Requiring the federal government to utilize fuel cells will dramatically expand the market for this technology , allowing economies of scale and bringing down the cost of fuel cells for private sector purchases.

Fourth section - Provides funding to the Department of Transportation (DoT) for the agency to issue regulations for the storage and transportation of hydrogen fuel. A lack of funding has kept DoT from devising and implementing education programs for hydrogen fuel storage and transport. The widespread national use of hydrogen fuel cannot take place without

greater DoT outreach and education efforts. This will give the DoT the resources it needs to work with the states , private entities and other government entities in order to provide a smooth transition to a hydrogen economy.

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